



## AUSTRALIAN RAIL TRACK CORPORATION LTD

29 June 2012

Hunter Valley Coal Chain Coordinator (HVCCC)  
Mr Jonathan Vandervoort  
Chief Executive Officer  
45 Lambton Road  
Broadmeadow NSW 2292

By email: [jvandervoort@hvccc.com.au](mailto:jvandervoort@hvccc.com.au)

Dear Jonathan

### **2011 HUNTER VALLEY COAL NETWORK ACCESS UNDERTAKING REVIEW OF TIMEFRAMES FOR TEMPORARY TRADE ADVICE**

In June 2011, the 2011 HVAU lodged by ARTC was accepted by the ACCC following a substantial level of consultation and ACCC review. Part of that consultation process, included was consideration of ARTC's timeframes related to Temporary trade of Path Usages under clause 16.4 of the Access Holder Agreements, in particular the 2 week period for Non-Safe Harbour trades noted under clause 16.4 (d) (iii). ARTC committed to review this timeframe via the inclusion in the Access Holder Agreements of the following:

#### ***16.8 Reduction in time period for ARTC approval of trades***

*(a) Within 12 months from the date the Access Undertaking first takes effect, ARTC will conduct a review of the appropriate time period for ARTC to inform the HVCCC of its decision to approve or reject trades including a decision to approve a trade subject to conditions, which do not meet the conditions set out in clause 16.4(a) ("Trade Consent Period").*

*(b) In conducting that review, ARTC will seek the views of the HVCCC on the appropriate time period for ARTC to inform the HVCCC of its decision to approve or reject trades including a decision to approve a trade subject to conditions, which do not meet the conditions set out in clause 16.4(a), taking into account the appropriate time necessary to determine the impact of the trade on Coal Chain Capacity and the Capacity entitlements of other access holders, and ARTC will consider the views expressed by the HVCCC in good faith.*

*(c) ARTC will provide to the HVCCC, and if requested, to the Access Holders if it is not a member of the HVCCC, written reasons for its decision on whether to alter the maximum Trade Consent Period under clause 16.4(d), and will provide notice to the HVCCC and the Access Holder of any new maximum Trade Consent Period.*

This letter is to provide notification that the timeframes for acknowledgment / approval of trades are reduced with the following impacts effective 1<sup>st</sup> July 2012.

- **AHA Section 16.4(a)** safe harbour trade notification is reduced from three (3) business days to two (2) business days from date of receiving a recommendation from the HVCCC



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- **AHA section 16.4(d)** non safe harbour trades maximum time taken for approval is reduced from fourteen (14) business days to five (5) business days from date of receiving a recommendation from the HVCCC

ARTC's decisions to reduce these timeframes are based on the following reasons;

- ARTC has participated in the trading process as a non-contracted entity since December 2009 and as a contracted entity since February 2012. During this period ARTC has developed a capacity to assess trades taking into account path utilisation within an average of 1 day and a maximum of 5 days from the date the of CTS Administrator recommendation notification
- ARTC has tried to align where practicable with timeframes of the current CTS protocol, notably;
  - 2 business days for Short Notice Transfers - CTS Protocol Clause (7.1)
  - 5 business days for Long Term Transfers -CTS Protocol Clause (7.2)

ARTC has confidence the reduction in timeframes will meet the industry's needs and expectations.

**Yours Sincerely**

A handwritten signature in black ink, appearing to read 'Alec MacKenzie', written over a horizontal line.

**Alec MacKenzie**  
Executive General Manager